

PUBLIC SERVICE COMMISSION

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MEMORANDUM

TO: The Chair and Commissioners

FROM: Lisa B. Driggins, Public Utilities Analyst

DATE: October 21, 2016

SUBJECT: IN THE MATTER OF THE APPLICATION OF MOBILITIE MANAGEMENT,

LLC FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED APRIL 7, 2016; FILED

JUNE 29, 2016) - PSC DOCKET NO. 16-0314

Background

On April 7, 2016, Mobilitie Management, LLC ("Mobilitie Management" or the "Company") filed an application (the "Application") with the Delaware Public Service Commission ("Commission") for a Certificate of Public Convenience and Necessity ("CPCN") to provide telecommunications services to the public within the State of Delaware. The Delaware Public Service Commission Staff ("Staff") has reviewed the Application to determine its compliance with Delaware Law and the Rules and Regulations promulgated in 26 *Del. Admin. C.* §4001.

Application

The Company's original filing was submitted on April 7, 2016, but the submitted Application did not meet the minimum filing requirements ("MFR's"). Staff requested the Company file the following additional documentation: a) a copy of the Delaware business license, b) the name, address, and telephone number of a Delaware Registered Agent, c) a description of the services being offered in Delaware, d) professional resumes for each principal or officer responsible for Delaware operations, and e) a signed, sworn verification for the original Application¹ and for any subsequent filings in support of the Application.

Financial, Operational, Managerial and Technical Ability

¹ The Company filed a signed, sworn verification on April 19, 2016.

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To demonstrate its financial capability, Mobilitie Management provided to Staff Company officer verified consolidated financial statements, reflecting its financial status as of December 31, 2015.

The Company anticipates serving customers in the State of Delaware by providing facilities-based and resold local exchange telecommunications services. To demonstrate its technical and operational capabilities, the Company provided Staff with professional resumes of its principal officers. Additionally, as of April 21, 2016, the Company has not commenced telecommunications operations in any state. The Company is currently applying or registering for authority to provide telecommunications services in all fifty states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. Mobilitie Management has been registered as a telecommunications provider in the States of Montana and North Dakota.

Pursuant to 26 *Del. Admin. C.* §4001-4.3, a copy of the Application was provided to the Division of the Public Advocate, through the Commission's electronic filing system DelaFile, and public notice of the Application was published in the <u>Delaware State News</u> newspaper on August 5, 2016. Staff reports that it received no formal comments or objections to the Company's Application for a CPCN.

Tariff

The Company did not provide initial tariff sheets or price sheets as required in 26 *Del. Admin. C.* §4001-4.5.1 as they do not provide switched access service which is the only service required to comply with this section.

Waiver

As part of its Application, the Company requested a waiver of the provisions of 26 *Del*. *C.* §208(b) so that it may maintain its books and records relating to its Delaware operations outside of the State of Delaware. Staff believes that the waiver request to maintain the Company's books and records outside of Delaware is reasonable and Staff recommends that the Commission grant the waiver.

In the Application the applicant asserts they will secure an interconnection agreement as necessary to provide the proposed services detailed in its Application. Staff has informed the Company that before starting any business in the state, the Applicant will be required to file an interconnection agreement with the Commission.

Staff Recommendation

Based on Staff's review and analysis, the Company has shown that it has the financial, operational, and technical means to provide telecommunications services in Delaware. Therefore, Staff recommends that the Commission grant Mobilitie Management a CPCN to provide local exchange telecommunication services the State of Delaware.